



# The City of Lynchburg, Virginia

CITY HALL, LYNCHBURG, VIRGINIA 24505 • (434) 847-1443  
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OFFICE OF THE MAYOR

July 1, 2006

Dear Citizens of Lynchburg,

City Council adopted the *FY 2007 Operating Budget*, *FY 2007 Capital Budget* and the *FY 2007-2011 Capital Improvement Program* on May 23, 2006. This action followed several months of deliberation and review of the proposed budget and Capital Improvement Program (CIP). City Council held six work sessions and a public hearing on the proposed budget and CIP. A copy of the FY 2007 Budget Ordinance outlining the appropriations to various City funds is attached.

Adjustments to the *FY 2007 Proposed Operating Budget* are as follows:

## General Fund

	<u>Proposed Operating Budget</u>	<u>Adjustments</u>	<u>Revised Budget</u>
<b>Revenues and Use of Fund Balance</b>	\$139,754,606		\$147,187,451
Use of Fund Balance	<b>\$7,311,128</b>		
Adjustments to Proposed Budget Projections		121,717	
<b>Total Revenues and Use of Fund Balance</b>	<b>\$147,065,734</b>	<b>\$121,717</b>	<b>\$147,187,451</b>
<b><u>Expenditures</u></b>			
Operations	\$91,456,331	\$264,316	\$91,720,647
Debt Service	12,898,703	0	12,898,703
Schools-Operations	30,549,256	201,157	30,750,413
Transfers to Other Funds	3,925,316	(23,380)	3,901,936
Reserves	800,000	670,000	1,470,000
Capital Improvements	7,436,128	500,000	7,936,128
<b>Total Expenditures</b>	<b>\$147,065,734</b>	<b>\$1,612,093</b>	<b>\$148,677,827</b>
<b>Balance</b>		<u>(\$1,490,376)</u>	
<b>Increase in Use of Fund Balance</b>		<u>1,490,376</u>	
<b>Final Balance</b>		<u><u>\$0</u></u>	

Details of these adjustments can be found in the City Council report that follows this letter.

**Schools Operating Fund**

The Schools Operating Fund has been amended by \$201,157 to reflect additional funding approved by City Council.

**City, Federal, State Aid Fund**

The City, Federal, State Aid Fund has been amended by \$20,880 to reflect a reduction in transfers from the General Fund.

**Capital Improvement Program**

The FY 2007 Capital Improvement Program is increased by \$1,500,000; \$1,000,000 to fund the completion of the Old Graves Mill Road Improvement Project, and \$500,000 to increase the Reserves for Athletic Fields; \$635,000 was transferred from the Reusens Road Project to the Expressway Overlay Project.

I want to thank City Council and staff for their dedication to public service and their willingness to spend countless hours deliberating and making difficult choices during this budget process. While the fiscal constraints of the City are many, I am proud of the collaboration among Council in providing a budget that I am confident will serve us well during this fiscal year.

Thank you.

Sincerely,

A handwritten signature in cursive script, appearing to read "Joan F. Foster".

Joan F. Foster  
Acting Mayor and Vice Mayor

Attachment: City Council Report: Adoption and Appropriation of the FY 2007 Operating and Capital Budgets and Adoption of the FY 2007-2011 Capital Improvement Program.